NEW



of Transportation

NOTICE OF ACTION TAKEN

October 23, 1998

This serves as interim notice to the public of the action described below, taken by the Department official indicated; the confirming order or other decisional document will be issued as soon as possible.

Application of Northwest Airlines, Inc. filed 10/8/98 in Docket OST-98-4557 for:

XX Allocation of three U.S.-Philippine combination frequencies to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between Detroit, Michigan, and Manila, the Philippines, via Nagoya, Japan.

United Air Lines filed an answer to Northwest's application stating that it did not object to the allocation of three additional frequencies, but urges that the allocation be made on a temporary basis for a period of one year so as not to put Northwest in a permanent U.S. carrier monopoly position to operate North Pacific combination services to Manila. United further urges the Department to make the allocation subject to the condition that there will not be the usual presumption of renewability so long as the holder continues to operate services, thereby enabling the Department to review the market to determine if the frequencies should be reallocated to another carrier that would offer an additional pattern of competitive service. Northwest filed a reply, objecting to United's proposed conditions, but stating that it would accept an allocation for a period of one year so long as the normal presumptions as to renewability and the continued effectiveness of the Administrative Procedure Act apply.

Applicant rep: Megan Rae Poldy (202) 842-3193 DOT Analyst: Sylvia Moore (202) 366-6519

DISPOSITION

XX Granted (subject to conditions, see below)

The above action was effective when taken: October 23, 1998, through October 23, 1999

Action taken by: Paul L. Gretch, Director

Office of International Aviation

(Petitions for review may be filed from now until 10 days after the confirming order/letter issues. Filing of a petition shall not stay the

effectiveness of this action)

XX The authority granted is consistent with the aviation agreements between the United States and the Philippines and the 1998 U.S.-Japan Memorandum of Understanding

(See Reverse Side)

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity

Conditions: Consistent with our standard practice, the frequency allocation granted is subject to the condition that it will expire automatically and the frequencies will revert to the Department for reallocation if they are not used for a period of 90 days.

Remarks: We found that approval of Northwest's application was consistent with the public interest. Northwest's service will provide new service options to passengers in the U.S.-Philippines market. Furthermore, it will help ensure that valuable operating rights available under our agreement with the Philippines are used effectively. Regarding United's concerns, with the exception of the limitation on duration, to which Northwest agreed, we saw no persuasive basis to attach any conditions to Northwest's authority other than those that we would routinely attach to awards of this type. We note that five Route 2 frequencies remain available and an additional two frequencies will become available in October 1999, thereby facilitating competitive service by another carrier.

An electronic version of this document is available on the World Wide Web at: http://dms.dot.gov/general/orders/aviation